

**THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

DOCKET NO. 2017-292WS

IN RE: Application of Carolina Water, Inc.)	CORRECTED	
for Adjustment of Rates and)	RESPONSIVE TESTIMONY
Charges and Modifications to Certain)	TO CUSTOMER CONCERNS
Terms and Conditions for the Provision)	BOB GILROY
of Water and Sewer Service)	

1 **Q. PLEASE STATE YOUR FULL NAME AND BUSINESS ADDRESS.**

2 **A. My name is Bob Gilroy. My business address is 150 Foster Brothers Drive, West**
3 **Columbia, South Carolina 29172.**

4 **Q. MR. GILROY, HAVE YOU PREFILED TESTIMONY IN THIS PROCEEDING?**

5 **A. Yes, I have prefiled direct and rebuttal testimony.**

6 **Q. HAS CWS TAKEN THE OPPORTUNITY TO MEET WITH ITS CUSTOMERS TO**
7 **EXPLAIN ITS OPERATIONS?**

8 **A. Yes. CWS is working to give its customers a better understanding of the pressures and**
9 **costs of operating its water and sewer systems. Since December of 2017, CWS scheduled**
10 **meetings with its customers in York County on December 4, 2017, and February 27, 2018;**
11 **Lexington County on December 5, 2017; Anderson County on December 6, 2017; Richland**
12 **County on February 21, 2018, and Greenville County on March 1, 2018. At all of our customer**
13 **meetings, we gave our customers an opportunity to meet with our management and field personnel**
14 **to learn more about our operations and costs of service. In addition to the CWS customer**
15 **meetings, public night hearings were also held in York on March 6, 2018; Greenville on March**
16 **13, 2018; and Columbia on March 15, 2018.**

17 **Q. DIRECTING YOUR ATTENTION TO THE PUBLIC HEARING HELD MARCH 6,**
18 **2018, IN LAKE WYLIE, SEVERAL OF THE WITNESSES RAISED CONCERNS ABOUT**

WATER QUALITY. PLEASE ADDRESS THESE CONCERNS.

A. Mr. Lee Kelher testified that, at CWS's request, he conducted a water test analysis in his home on December 6, 2017, and it revealed lead above the EPA action levels.

According to EPA guidelines, lead analytical results are evaluated against an action level. The action level for lead is 0.015 ppm. When the concentration in more than 10 percent of tap water samples collected during any monitoring period is greater than the EPA action level, the system is deemed to have an action level exceedance and consumers must be notified of the health risks associated with lead in drinking water. A system is in compliance when 90 percent of the samples collected are less than or equal to the action level.

River Hills is provided purchased water treated by York County with the appropriate corrosion control treatment in place. Prior to 2015, there was no history of exceeding the lead action limit in the River Hills community. During the 2015 testing period, fewer than 90 percent of the homes tested below the lead action level, meaning the system was not in compliance. Customers in River Hills were notified of the results and provided educational materials on reducing their exposure to lead as required by applicable regulations.

CWS was also required to expand testing from 20 sites to 40, and to test twice a year in 2016. During the first testing period, January-June 2016, Mr. Kelher's residence at 95 Heritage Drive was included as one of the tested sites. More than 90 percent of the homes tested during this period had results below the action level, meaning the system was in compliance. 35 of the 40 homes tested did not have any lead at all. However, the sample from Mr. Kelher's residence exceeded the action level; it was 0.061 ppm. Mr. Kelher was notified of the results and provided educational materials on reducing his risk of exposure, as required by applicable regulations.

During the second testing period, July-December 2016, over 90 percent of the homes tested below the action level, and the system was again in compliance. 25 of the 40 homes tested did not

1 detect any lead at all. However, the sample from Mr. Kelher's residence once again exceeded the
2 limit; it was 0.019 ppm. Mr. Kelher was again notified of the results and provided educational
3 materials on reducing his risk of lead exposure.

4 In 2017, the required sampling frequency was reduced to annual testing and the number of
5 sample sites was reduced to 20, as provided in the federal protocol. Mr. Kelher's residence was
6 not one of the testing sites that year. During the June-December 2017 testing period, more than
7 90 percent of the homes tested below the action level, meaning the system remained in compliance.
8 10 of the 20 homes tested did not show any lead at all. One March 13, 2018, CWS also collected
9 a source water sample from a hydrant near its master meter from York County, and the test showed
10 a reading of <0.001 mg/l, which is below the detection level.

11 The lead that has been detected at Mr. Kelher's home may come from his home's plumbing
12 or fixtures. Over 90 percent of the samples sites in River Hills have not revealed lead over the
13 past two years, and the most recent source water sampling did not detect lead, indicating that the
14 water supplied to customers is not the source of lead, and that CWS's River Hills system is well
15 within allowable limits.

16 **Q. WERE THERE OTHER CONCERNS RAISED CONCERNING WATER**
17 **QUALITY?**

18 A. Three witnesses, Gerald Tansey, Chuck Ledford, and Al Vesting, testified that they
19 experienced water stains on their faucets and facilities. Another witness, Mr. Augustine,
20 complained about chlorine odor. CWS purchases water from York County to service Lake Wylie
21 customers. However, York County purchases the bulk water from the City of Rock Hill. Both
22 Rock Hill and York County have an obligation to provide bulk water meeting all state and federal
23 standards. In collaboration with York County Councilwoman Allison Love, CWS President
24 Catherine Heigel has agreed on behalf of CWS to test the water provided CWS by York County

for impurities and inform keep Councilwoman Love and CWS's customers of the test results.

Q. THERE WAS CUSTOMER TESTIMONY CONCERNING THE CONDITION OF METERS. PLEASE EXPLAIN CWS'S RESPONSE.

A. Two witnesses, Chuck Ledford and Andrew Rivan, raised concerns that their meters were set deep in the group and were subject to being covered by debris or water making them difficult to read. While Mr. Ledford's and Mr. Rivan's meters appear to have been read, after inspection by CWS personnel, we decided to raise Mr. Ledford's and Mr. Rivan's meters to accommodate their concerns.

Q. A COUPLE OF WITNESSES TESTIFIED CONCERNING ODORS FROM LIFT STATIONS. WHAT DID YOU FIND?

A. Mr. Ledford testified that he lived next to a lift station which spilled into a nearby creek for which CWS has been fined. In 2017, CWS has performed these maintenance and repair items at the pump station adjacent to Mr. Ledford:

Lift Station #2 (Chuck Ledford at 1550 Woodcroft Drive in Carowoods.)

11/29/2017: CLS replaced both Myers pumps with Hydromatic pumps at LS #2

11/17/2017: CLS pulled and cleaned Pump #1 at LS #2

1/18/2017: CLS replaced cutters on pump #2 at LS #2

1/4/2017: CLS Cleaned out pump #1 LS #2

While we have had operational issues in this subdivision in the past, they have been greatly reduced since CWS began a contractor driven yearly routine maintenance schedule three years ago. In fact, our records do not reflect a Sanitary Sewer Overflow ("SSO") at this lift station in many years.

Mr. Rivan testified concerning an odor emanating from a pump station near his home during wet weather. Below are maintenance, repair, and replacement items for this lift station going back to the beginning of 2017.

Lift Station #53 Maintenance (Andrew Rivan at 4189 Autumn Cove.)

3/14/18: CLS reprimed Pump 2 LS #53

2/1/18: LS#53- Kraft replaced buzzing relay.

1/30/18: Operator replaced mission battery.

12/4/2017: CLS replaced #1 Suction pump due to crack in casing.

12/2/2017: CLS unclogged pump and replaced motor belt.

11/28/2017: CLS performed annual PM on LS #53

9/27/17: CLS cleaning and repriming pumps.

4-/6/17 Boulware worked at LS# 53 and repaired leaking hose on priming pump on pump 2

3/28/17CLS performed PM on LS# 53

Operational issues have been greatly reduced since CWS began its contractor driven yearly routine maintenance schedule. CWS cannot find any records of any SSOs at this location.

Q. MS. FICK RAISED CONCERNS ABOUT THE WATER SOURCE FOR THE SHANDON SUBDIVISION IN YORK COUNTY. PLEASE EXPLAIN THE CIRCUMSTANCES SURROUNDING THE WELLS IN THE SHANDON SUBDIVISION.

A. In the fall of 2015, Well #3 in the CWS Shandon water system tested positive for bacterial contamination. The distribution system tested negative. Several attempts were made early in 2016 to rehabilitate the well to make it useful, but they were unsuccessful. Thus, a new well source was required.

CWS hired a land acquisition company to seek suitable properties for a new source well. During the summer of 2016, it could find no property owners willing to provide property. In the fall of 2016, CWS requested permission from DHEC to drill a well on company owned property on which a wastewater treatment plan is located. Permission was granted, but unfortunately the well was dry.

In the spring of 2017, a nearby property owner provided land through a lease for the drilling of multiple test wells. CWS began drilling the first well after receiving necessary permits in the fall 2017. As of spring of 2018, CWS has drilled three wells. One well has less than half of the needed water, and the other two are dry. Our next step will be to investigate the feasibility of

1 interconnecting with the closest CWS water distribution system at Carrolton Place, approximately
2 a half mile away. The nearest municipal system is Rock Hill, which is approximately three and a
3 half miles away. A project of this magnitude would take a considerable amount of time and cost
4 in excess of \$3 Million. CWS will investigate the full potential of the existing wells within the
5 two systems to determine whether an additional well source or storage is needed for a successful
6 interconnection.

7 **Q. SEVERAL WITNESSES AT THE MARCH 15, 2018, PUBLIC HEARING IN**
8 **COLUMBIA RAISED CONCERNS ABOUT THE COST OF SEWER SERVICE**
9 **PROVIDED BY THE TOWN OF LEXINGTON. PLEASE GIVE A LITTLE**
10 **BACKGROUND ON THIS.**

11 **A.** The Town of Lexington condemned CWS' I-20 sewer system and took possession and
12 control of the sewer system February 1, 2018. CWS billed its customers through that date at
13 tariffed rates. The Town of Lexington is now providing sewer service to the customers in the I-
14 20 service area and billing CWS's former I-20 customers. According to the Town of Lexington's
15 website, its rate is \$67.16 per month which is approximately \$10.00 more than the CWS rate.
16 However, there is nothing CWS can do about the Town of Lexington's billing.

17 **Q. SEVERAL WITNESSES IN THE SPRING LAKE SUBDIVISION RAISED**
18 **CONCERNS ABOUT THE LOSS OF WATER SERVICE AND TESTIFIED THEY DID**
19 **NOT RECEIVE A BOIL WATER ADVISORY WHEN THE SERVICE WAS RESUMED.**
20 **WHAT CAN YOU TELL THE COMMISSION?**

21 **A.** The loss of water service and fluctuating water pressure in both the Spring Lake and Laurel
22 Meadows subdivision were the result of a break in the Laurel Meadows subdivision. All
23 precautionary steps were taken during the repair of the water main and boil water advisories were
24 issued by robocall to all customers for whom we have telephone numbers within the affected

1 subdivisions of Laurel Meadows, Spring Lake and Planter's Station. Similarly, we notified our
2 affected customers by robocall when the boil water advisory was lifted. Our experience is that
3 customers may overlook the recorded message or that we will not have the cell phone number of
4 a customer without a landline.

5 **Q. KAREN CADELL, A CUSTOMER IN THE FRIARSGATE SUBDIVISION,**
6 **TESTIFIED THAT SHE WAS AWARE OF 30 HOMES IN HER NEIGHBORHOOD**
7 **THAT WERE DISCONNECTED FROM SEWER SERVICE FOR FAILURE TO PAY.**
8 **HAVE YOU INVESTIGATED THIS CONCERN?**

9 **A.** I am not aware of the homes Ms. Cadell referenced. At any given time there may be homes
10 that have been disconnected for nonpayment, and they are reconnected once payment is made or
11 a payment plan has been set up.

12 **Q. ALBERTA COIT, WHO LIVES IN THE WASHINGTON HEIGHTS SUBDIVISION,**
13 **RAISED QUESTIONS ABOUT CWS IMPROVEMENTS IN SERVING HER**
14 **NEIGHBORHOOD. WHAT CAN YOU TELL THE COMMISSION ABOUT**
15 **WASHINGTON HEIGHTS?**

16 **A.** A new hydro tank was installed in 2016 to serve the Washington Heights subdivision. CWS
17 has undertaken a program to replace all of its hydro tanks, which will allow for more efficient
18 water service and will reduce the likelihood of repair. In response to neighborhood concerns
19 about fire protection, CWS has installed a new interconnection with the City of Columbia that
20 allows enhanced flushing of water mains and provides adequate water pressure for the fire
21 hydrants.

22 **Q. JOE NEILLY OF WEST COLUMBIA TESTIFIED THAT A HOME BURNED**
23 **DOWN IN HIS NEIGHBORHOOD BECAUSE CWS COULD NOT PROVIDE**
24 **ADEQUATE WATER PRESSURE TO THE HYDRANTS. HAVE YOU**

1 **INVESTIGATED THIS CONCERN?**

2 **A.** The water pressure was lower than normal at the time of that incident because there were
3 two other fully involved fires with multiple fire departments responding in the I-20 service territory
4 at the same time, which put understandable constraints on the I-20 water system. The normal
5 pressure range within Laurel Meadows subdivision is approximately 75 psi.

6 **Q: DAVID F. NETTLES, JR., OF THE BRIDGEWATER SUBDIVISION IN**
7 **ANDERSON, TESTIFIED THAT HE AND OTHER RESIDENTS ARE EXPLORING THE**
8 **POSSIBILITY OF ACQUIRING THEIR OWN SYSTEM, CAN YOU COMMENT.**

9 **A.** I do not have any comment on Mr. Nettle's plans. Mr. Nettles did acknowledge, however,
10 that CWS provides good service. We will continue to do so for as long as Mr. Nettles and his
11 neighbors remain our customers.

12 **Q: SEVERAL CUSTOMERS FROM THE CANTERBURY SUBDIVISION, IN**
13 **PIEDMONT, TESTIFIED TO PROBLEMS THEY EXPERIENCED WITH INFLOW AND**
14 **INFILTRATION AND RESULTING SEWERAGE BACKUPS. PLEASE RESPOND TO**
15 **THEIR CONCERNS.**

16 **A.** Many of the customers who testified in Greenville appear to have experienced problems with
17 their own service lines, as opposed to those belonging to the company. However, after hearing
18 from our customers at the night hearing in Greenville, we have our Area Manager inspecting
19 CWS's lines in the Canterbury subdivision with a camera to see if there are any issues that need
20 to be addressed now or in the future.

21 **Q. MS. BOBBIE LYONS, TESTIFIED THAT SHE HAD AN INCIDENT AT HER HOME**
22 **RECENTLY, CAN YOU TELL THE COMMISSION ABOUT CWS'S RESPONSE TO MS.**
23 **LYON'S INCIDENT?**

24 **A.** CWS responded to sewer drain stoppage called in by Ms. Lyons on January 21, 2018. The

1 stoppage had caused Mrs. Lyon's toilet to back up. The lateral at the tap prior to entering the
2 sewer main was blocked with grease. CWS cleared the blockage and determined that the main
3 was running free. We regret the inconvenience caused to Ms. Lyons.

4 **Q. MS. VIRGINIA GRAY TESTIFIED THAT SHE HAS EXPERIENCED BACKUPS**
5 **IN HER HOME OVER THE YEARS, PLEASE COMMENT ON MS. GRAY'S**
6 **TESTIMONY?**

7 **A.** Ms. Gray testified that she called a plumber when she experienced backups in her commode.
8 According to Ms. Gray, the plumber found roots growing in the lines under Ms. Gray's home and
9 replaced the pipes. Ms. Gray also cut down a tree in her yard to prevent further infiltration. The
10 problems related by Ms. Gray do not involve CWS's lines; they involve the wastewater lines in
11 her home. Our service records show CWS made service calls to Ms. Gray's home in 2006 and
12 2007, and determined that her problems were being caused by her home's plumbing lines.

13 **Q. MS. DEBERA DOWNS TESTIFIED TO AN INCIDENT IN WHICH A REPAIRMAN**
14 **RESPONDING TO A LATE-NIGHT SERVICE CALL KNOCKED ON HER DOOR IN**
15 **THE EARLY MORNING HOURS AND ASKED TO USE HER POWER OUTLET.**
16 **WHAT CAN YOU TELL THE COMMISSION ABOUT THIS INCIDENT?**

17 **A.** Without the identity of the customer who called for service that night, I cannot locate
18 relevant records. However, I regret that Ms. Downs was disturbed.

19 **Q. MR. JAMES BRYANT TESTIFIED TO A RECENT BACKUP IN HIS HOME.**
20 **PLEASE COMMENT.**

21 **A.** Mr. Bryant testified that a plumber responded to a call in early 2017, and that he had to
22 replace some pipes in his home. Fortunately, Mr. Bryant said that he had insurance that covered
23 the damage done to his home because of problems within his home plumbing. The company does
24 not have any records pertaining to this incident.

1 **Q. DOES THIS CONCLUDE YOUR RESPONSIVE TESTIMONY?**

2 **A. Yes, it does.**